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C O N F I D E N T I A L SECTION 01 OF 05 ASHGABAT 000062
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STEVE MANN)
E.O. 12958: DECL: 01/14/2018
TAGS: PGOV PREL EAGR EPET EU AZ GG RS TX
SUBJECT: TURKMENISTAN: SFRC MINORITY CHAIRMAN SENATOR
RICHARD LUGAR AND PRESIDENT BERDIMUHAMEDOV, JANUARY 11,
2008: BUILDING TRUST AND RESPECT
REF: A. ASHGABAT 0049
     ¶B. ASHGABAT 0034
     ¶C. 07 ASHGABAT 1258
Classified By: CHARGE RICHARD E. HOAGLAND FOR REASONS 1.4 (B), (D)
11. (C) PARTICIPANTS:
UNITED STATES:
     Senator Richard Lugar
     Kenneth A. Meyers III, Republican Senior Professional
Staff
     Charge d'affaires (note-taker)
TURKMENISTAN:
     President Gurbanguly Berdimuhamedov
     Deputy Chairman of the Cabinet of Ministers for Foreign
Affairs Rashit Meredov
     Two unidentified presidential staff note-takers
       President of Turkmenistan's personal reception room
adjacent to his office complex in the New Presidential
Palace. (NOTE: This meeting took place in armchairs, rather
than across a conference table, as a Turkmen mark of intimacy
and respect. END NOTE.)
     (C) SUMMARY: During a significant visit to Turkmenistan
by U.S. Senator Richard Lugar, President Gurbanguly
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-- averred his respect for and desire to cooperate with

-- requested long-term senior-level U.S. agricultural reform

Georgian President Mikhail Saakashvili;

Berdimuhamedov

advisers;

- -- asserted he wants the United States to facilitate a trans-Caspian gas pipeline;
- -- criticized the EU for treating Turkmenistan as a "country cousin";
- -- insisted he wants much more U.S.-Turkmenistan educational exchanges;
- -- responded with eagerness to a suggestion he visit Washington; and
- -- through his senior Foreign Ministry officials, expressed sincere gratitude that Senator Lugar chose to attend Turkmenistan's Memorial Day ceremony. END SUMMARY.
- 13. (C) Senate Foreign Relations Committee Minority Chairman Senator Richard Lugar (R-IN) met with Turkmenistan's President Gurbanguly Berdimuhamedov for 75 minutes on January 11. The meeting was open, frank, and cordial. Berdimuhamedov was well-briefed, fully engaged, and eagerly participated in a real give-and-take conversation.

"MY GOOD FRIEND SAAKASHVILI"

14. (C) Senator Lugar briefed President Berdimuhamedov on his meeting during this current trip with Georgian President-elect Mikhail Saakashvili in Tbilisi, and passed Saakashvili's warm greetings to Berdimuhamedov, who confirmed he will attend Saakashvili's January 20 inauguration. "Of course, we've very good friends. Maybe (Kazakhstan's

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Nursultan) Nazerbayev can afford to take vacations now, but Misha (Saakashvili) and I are young and have to work hard all the time. We get along very well together. I like him."

15. (C) Berdimuhamedov also praised Georgian Speaker of Parliament and Acting President Nino Burjanadze as a most effective politician who cares first and foremost about her country and who is a "remarkable woman." Berdimuhamedov commented on the coincidence that both Turkmenistan's and Georgia's speakers of parliament are female, which had immediately broken the ice when Burjanadze visited Ashgabat earlier in 2007.

AGRICULTURAL REFORM: "I WANT SENIOR U.S. EXPERTS"

- 16. (SBU) Senator Lugar noted he is one of three active farmers in the U.S. Senate, and commented rising food prices are becoming a challenge for some countries. He asked the president about the status of agriculture and food security in Turkmenistan.
- 17. (C) Berdimuhamedov responded he had just told his cabinet that Turkmenistan must strive for domestic food sufficiency, especially in wheat. He explained the reforms he is promoting in the agricultural sector that will nudge farmers closer toward a market economy, even though the government still provides mostly subsidized inputs. Related to inputs, he noted Turkmenistan has on order 500 Case-New Holland tractors and combines. He also praised John Deere agricultural machinery because it doesn't tend to catch on fire, unlike Polish and Russian machinery, during the wheat harvest when the temperature can be well above 40 degrees centigrade.
- 18. (C) The president said he has created an Agricultural Institute at Dashoguz (capital of Turkmenistan's northern province) that he intends will soon achieve the status of a full faculty of Turkmen State University. He said he has decreed the institute will report directly to him "to cut our the middle-men who don't always tell me the truth." (COMMENT: A remarkable statement, indicating Berdimuhamedov is aware that the permanent bureaucracy tends to work against

his reforms to protect their vested interests. END COMMENT.)
Berdimuhamedov added he wants "long-term senior-level U.S.
expert-advisors" to work in the agriculture sector. "They
have to be here long enough so that we understand each
other." Senator Lugar strongly agreed, and noted Purdue
University in Indiana has one of the best concentrations of
agricultural specialists in the United States.

Berdimuhamedov said salinization of Turkmenistan's limited arable land is an increasing problem, and his government seeks foreign cooperation on this issue. Charge interjected the University of Nevada has submitted an important proposal in this field, but vested interests have stalled it. Berdimuhamedov replied, "Really? I want the details!" The president added he had discussed this issue with U.S. businessmen during his September visit to New York to participate in the UN General Assembly. He insisted, "We want much, more senior expert-level contact with you. Just think -- we are like a 16-year-old kid still learning our way in the world. The USSR did nothing for us for 70 years but pump out our gas and oil."

ENERGY: "MY GOAL IS A TRANS-CASPIAN PIPELINE"

19. (C) Senator Lugar told Berdimuhamedov he had just asked

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President Saakashvili about Georgia's natural gas security, and Saakashvili had replied Georgia is OK for now but needs Turkmenistan's gas. Senator Lugar said, "I hope you'll be able to come together on that issue."

- 110. (C) Sitting forward in his chair, Berdimuhamedov said, "You know, we really want this kind of cooperation with Georgia. The Almighty has given us great hydrocarbon wealth, and we definitely want to diversify our sales. But we currently have laws and regulations by which we sell our resources at our border." Berdimuhamedov added, "Some doubt we have the resources to sell to all, and so I have ordered an international audit of hydrocarbon resources (reftel A). The other issue is price. I have said repeatedly we will sell our natural gas by international standards and at international prices starting in 2009, but no one seems to have picked up on that yet. I am most serious about this."
- 111. (C) Berdimuhamedov said, "I want a trans-Caspian gas pipeline, but I can't do it alone. Five countries border the Caspian Sea. During the Caspian Summit in October in Tehran, I said I wanted transparent use of the Caspian for transport of energy resources. They all jumped on me. One (Russian President Vladimir Putin) insisted on five-country consensus for any project. I resisted, but no one supported me. I think we have the right to insist on that." Senator Lugar said he strongly encouraged Turkmenistan to exercise that right. Berdimuhamedov replied, "Certainly! Why not!" He added that many voices are talking, but few are doing anything positive and concrete because they are self-interested.
- 112. (C) Senator Lugar asked what kind of approaches by U.S. energy companies would be of most interest to Turkmenistan. Berdimuhamedov replied his government has met repeatedly with U.S. companies. He explained, "Our strong policy is to favor service contracts and joint ventures on-shore, but we encourage production sharing agreements off-shore in the Caspian, because we understand that will lead to a trans-Caspian pipeline, which is our goal." Significantly, Berdimuhamedov added for the first time, "Start working within our current laws, and then we can see what will develop."
- 113. (C) Berdimuhamedov said, "Of course we will be vigilant about ecological issues, but I am a little tired of one power (Russia) that is sloganeering about ecology to hold back Caspian development." With that comment, Berdimuhamedov waved his hand and rolled his eyes.

- 114. (C) Berdimuhamedov told Senator Lugar, "I am pushing my people to ask the United States to facilitate more meetings with Azerbaijan so we can develop a trans-Caspian pipeline. That is my goal." Senator Lugar replied, "We understand the pressure on you. We need to know how to be constructively helpful. We want to be able to support you properly. (NOTE: After nearly four months of considering a U.S. facilitation offer the Charge has been pressing, Foreign Minister Meredov has just said (reftel B) he would welcome such discussions as soon as possible with EEB Ambassador Steven Mann. END NOTE.)
- 115. (C) Berdimuhamedov said, "Please understand I am serious about this. I just told (Deputy Chairman of the Cabinet of Ministers for Oil and Gas Tachberdi) Tagiyev I am most serious about U.S. help on the trans-Caspian pipeline."

 Berdimuhamedov added, "There are some Russian rumors that the Prikaspiskyy pipeline will kill the trans-Caspian, but the

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sources of gas will be different for each. I assure you we have enough, and the international audit will prove it."
Berdimuhamedov concluded, "I want to be clear -- we are strongly for a trans-Caspian pipeline, and we are working out our structural approach. But we can't do it alone. We need your help."

116. (C) Senator Lugar thanked the president for his unequivocal statement. He said, "I will conveyyour views to those who are interested. We very much want to be a constructive partner on this issue."

EUROPE: "WE AREN'T THE COUNTRY COUSIN"

117. (C) Shifting gears, Berdimuhamedov said he was frankly surprised how well he had been received in the United States during his September visit for UNGA in New York. As he had told Ambassador Steven Mann in October (reftel C), the difference between his reception in the United States and in Brussels in November was "the difference between heaven and earth." Berdimuhamedov elaborated, "The European leaders just don't seem to understand us as you do. Brussels thought I had come to beg. They say they want our energy resources, but they shouldn't arrogantly treat us like the country cousin. I like Europe, but I don't feel the same about the EU leaders. Frankly, they were rude. The United States is the United States, and I like that. You are transparent. You treat us as an equal. Thank you for that respect."

STUDENT EXCHANGES: "I WANT MORE"

118. (C) Senator Lugar said he is grateful that U.S.-Turkmenistan relations are growing in such a positive direction. He said the United States wants to support Turkmenistan's goals to improve education and health care. Berdimuhamedov reminisced how impressed he had been in New York by his meeting with students at Columbia University. He said, "I wish our students would be so energetic and outspoken. I can work with people like that! We need much more educational exchanges so our students learn to feel responsibility for their nation."

VISIT TO THE UNITED STATES? "YES, YES, WE MUST WORK ON THAT!"

119. (C) Senator Lugar told President Berdimuhamedov, "I would hope you could come to Washington. I will mention to my friends how important that would be." Leaning forward in his chair, Berdimuhamedov responded energetically, "Yes, yes, yes! I really need to do that. Let's work on it!" (COMMENT: In a subsequent conversation, Foreign Ministry America's Director Serdar Bashimov told the Charge, "This was a terribly significant moment. You can help us move forward in the right direction to make this happen." END COMMENT.)

- 120. (C) During their warm closing comments, President Berdimuhamedov urged Senator Lugar to attend the next-day (January 12) solemn Memorial Day ceremony at Gok-Depe (one hour west of Ashgabat), at which Turkmenistan pays tribute to those Turkmen who lost their lives in the 1881 massacre by Imperial Russia that led to 110 years of Russian-Soviet subjugation of Turkmenistan.
- 121. (C) The event was not on the senator's schedule. Senator Lugar thanked the president for his gracious

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invitation, but made no commitment. Late that evening, Deputy Foreign Minister Hajiyev called in the Charge to press the invitation. He said explicitly, "You understand, we would never ask the Russians to attend this." Charge undertook to pass the renewed invitation to Senator Lugar, who agreed to attend.

- 122. (C) On January 12, Senator Lugar stood for nearly one hour before the Gok-Depe Memorial Mosque in subfreezing temperatures with a light snow falling to show U.S. respect for Turkmenistan's history and its independent and sovereign people. Later the same day, Deputy Chairman/Foreign Minister Meredov warmly thanked the senator for his unforgettable mark ofrespect, especially given the inclement weather. The next day, Foreign Ministry Americas Director Bashimov told the Charge that President Berdimuhamedov "would never forget this significant gesture by the patriarch of American foreign policy."
- 123. (C) COMMENT: By tradition, Turkmenistanis pay highest respect to elders, and nothing could have been better at this moment in the new bilateral relationship than Senator Lugar's visit. It unlocked long-equivocal lips and made clear President Berdimuhamedov himself is open to new cooperation with the United States, most significantly on a trans-Caspian pipeline, even though he will continue to have a strong up-hill battle against the vested interests and those in the entrenched bureaucracy who are pro-Russia. Charge strongly recommends follow-up on the new openings Berdimuhamedov offered, including the possibility of a visit this year to Washington, which would help cement his reform-agenda leadership and Caspian energy vision. END COMMENT.
- 124. (U) CODEL Lugar did not have an opportunity to clear this cable but authorized its transmission. HOAGLAND